



Louisiana Housing Finance Agency

The following resolution was offered by Commissioner Donald B. Vallee and seconded by Commissioner Katie Anderson:

RESOLUTION

A resolution clarifying policy regarding the awarding of unallocated and/or returned GO Zone Credits to qualified low-income buildings in the GO Zone that will be placed in service prior to January 1, 2012 as authorized by the LHFA Board via resolution at its regular meeting on January 19, 2011; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Finance Agency (the "Agency") has been ordered and directed to act on behalf of the State of Louisiana (the "State") in allocating and administering programs and/or resources made available pursuant to the Section 42 of the Internal Revenue Code (the LIHTC Program); and

WHEREAS, the Agency has established a waiting list of projects that were feasible and viable under the 2010 QAP's competitive funding round but which were not awarded low-income housing credits;

WHEREAS, the Agency has received and may continue to receive unallocated GO Zone Credits that were/are voluntarily returned and/or previously recaptured that will be lost to the State under current law if such unallocated GO Zone Credits are not allocated to qualified low-income buildings that are placed in service on or prior to December 31, 2011; and

WHEREAS, the Agency authorized and directed staff and tax credit counsel to arrange for the allocation of the balance of unallocated GO Zone Credits to qualified low-income buildings in the GO Zone that will be placed in service prior to January 1, 2012 and to prepare such strategies as may be necessary to allocate any GO Zone Credits that are voluntarily returned and/or recaptured after March 31, 2010 (but prior to January 1, 2012); and

WHEREAS, the Agency determined that the best immediate strategy to avoid loss of the balance of GO Zone Credits under current law was to award such balance of GO Zone Credits to qualified low-income buildings in the highest scoring projects within the GO Zone under the 2010 QAP competitive Selection Criteria on the waiting list of projects that were feasible and viable in connection with the 2010 QAP's competitive funding round if the developers of such projects provide adequate assurance that the December 31, 2011 placed in service deadline under current law will be met; and

WHEREAS, the Board of Commissioners finds it necessary to provide a written explanation to the general public to clarify its policy intention regarding the allocation of the GO Zone Credits pursuant to its January 19, 2011 resolution about the award of unallocated GO Zone Credits to be bound by Project and Developer Limits specific to the Go Zone Credit allocations made pursuant to the Board's January 19, 2011 resolution so as not to impede the efficient use of the GO Zone Credits; and

WHEREAS, the Board of Commissioners finds it necessary to provide a written explanation to the general public to clarify Agency procedures relative to the timelines regarding acceptance and closings of awards made pursuant to the January 19, 2011 resolution; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Louisiana Housing Finance Agency (the "Board"), acting as the governing authority of said Agency that:

SECTION 1. Staff may reserve GO Zone Credits to Projects in the GO Zone on the 2010 QAP waiting list based upon the Project's rank order in the 2010 QAP competitive funding round scoring review approved by this Board if such Projects provide adequate assurances that the December 31, 2011 placed in service deadline will be met for qualified low income buildings receiving an allocation of such GO Zone Credits.

SECTION 2. The Agency staff and Tax Credit Counsel shall establish such procedures and documentation as may be necessary to structure, cancel or reduce such GO Zone Credits awarded to projects within the GO Zone on the 2010 QAP waiting list and to allocate such GO Zone Credits to other projects in the GO Zone that may meet the December 31, 2011 deadline so as to assure that the GO Zone Credits awarded are not lost to the State; provided, however, that GO Zone Credits allocated to projects sponsored by public housing authorities shall be retained by such projects and not be subject to automatic recapture as of April 1, 2011.

SECTION 3. Pursuant to Section 2, above, the procedures and documentation that Agency staff and Tax Credit Counsel shall establish shall include:

- 1) When GO Zone Credits become available a project on the 2010 QAP waiting list, staff shall notify Taxpayer via phone and email to the Contact Person listed on the application that GO Zone credits are available to their project in accordance with the Board's direction.
- 2) By 4:30 p.m. seven (7) calendar days from the date the email from staff was sent, Taxpayer shall ensure that an email or other written communication from the Contact Person has been received by the Agency staff that notified Taxpayer which provides adequate assurances that the December 31, 2011 placed in service deadline will be met for qualified low income buildings that would receive an allocation of such GO Zone Credits and shall confirm its ability to have a verifiable financial closing for the project within 45 calendar days of the staff's notification email. Taxpayer is responsible for making sure that the communication is proper and is received by staff timely.
- 3) Once a project confirms, staff shall provide Low Income Housing Tax Credit award letter.
- 4) Thereafter, proof of the verifiable financial closing must be demonstrated by a draw/disbursement of tax credit equity made available by an investor partner/member of a Taxpayer owner of a project with a GO Zone Credit allocation in accordance with the organizational documents of the Taxpayer, which took place by the 45-day deadline provided for herein. The organizational documents of the Taxpayer and the closing/settlement statement evidencing a draw and disbursement of equity must be received by the Agency through certified mail by no later than 4:30 pm CT five (5)

calendar days after the verifiable financial closing, not later than the 50th calendar day from the date the email notification (outlined in 1, above) was sent by staff.

SECTION 4. Regarding any Taxpayer that was notified before March 16, 2011, the date of the passing of this resolution which may affect its decision to accept the award of Credits pursuant to the January 19, 2011 resolution, email or written communication from the Contact Person must be received by the Agency no later than 4:30 p.m. March 21, 2011 which provides adequate assurances that the December 31, 2011 placed in service deadline will be met for qualified low income buildings that would receive an allocation of such GO Zone Credits and which confirms its ability to have a verifiable financial closing for the project within 45 calendar days of its original notification by staff. Taxpayer is responsible for making sure that the communication is proper and is received by staff timely.

SECTION 5. Regarding Project and Developer Limits relative to GO Zone allocations:

- 1) No project will be reserved GO Zone Credits made pursuant to the Board's January 19, 2011 resolution in excess of \$1,500,000. No Developer, related persons thereof or agents thereof or any person having an identity of interest with any Developer, related persons thereof or agents thereof or any combination of the foregoing shall be reserved GO Zone Credits pursuant to the Board's January 19, 2011 resolution in excess of \$1,500,000; provided however, that GO Zone Credits allocated prior to the January 19, 2011 resolution shall not be taken into account for purpose of establishing the \$1,500,000 limit pursuant to the January 19, 2011 resolution.
- 2) The Project and Developer Limits of the 2010 QAP remain unchanged for all other allocations made pursuant to the 2010 QAP.

SECTION 6. The Agency staff and Tax Credit Counsel shall continue to be authorized and directed to prepare the forms of such documents and agreements as may be necessary to allocate the balance of GO Zone Credits to qualified low income buildings in the GO Zone that shall be placed in service prior to January 1, 2012.

SECTION 7. The Chairman, Vice Chairman, President, Vice President and/or Secretary of the Agency be and they are hereby authorized, empowered and directed to execute any forms and/or documents required to be executed on behalf of and in the name of the Agency, the terms of which are to be consistent with the provisions of this resolution.

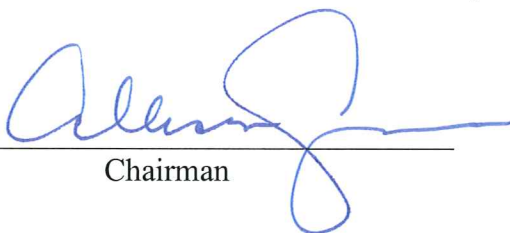
This resolution having been submitted to a vote, the vote thereon was as follows:

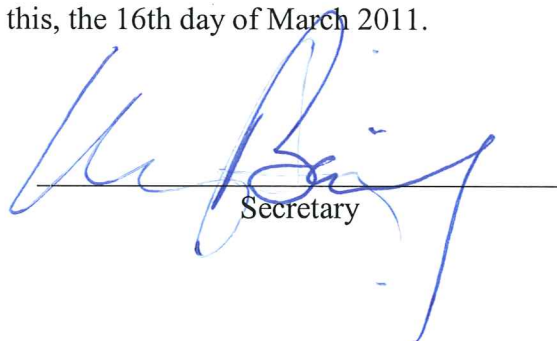
YEAS: Allison A. Jones, Michael L. Airhart, Katie Anderson, Adena R. Boris, Jerome Boykin, Sr., Mayson H. Foster, Alice Washington obo John N. Kennedy, Joseph M. Scontrino, III, Frank H. Thaxton, III, Donald B. Vallee, Tyrone A. Wilson, Elsenia Young

NAYS: N/A

ABSENT: Neal P. Miller, Guy T. Williams

And the resolution was declared adopted on this, the 16th day of March 2011.


Chairman


Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Commissioners of the Louisiana Housing Finance Agency (the "Agency"), do hereby certify that the foregoing five (5) pages constitute a true and correct copy of a resolution adopted by said Board of Commissioners on March 16, 2011, authorizing and directing staff to provide for the award of unallocated and/or returned GO Zone Credits to residential rental facilities in the GO Zone and to prepare the forms of such documents and agreements as may be necessary to allocate GO Zone Credits to such facilities; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Agency on this, the 16th day of March 2011.



Secretary

(SEAL)